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OF COUNSEL
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PARALEGAL
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December 21, 2004

Via UPS Next Day Air and First Class Mail

Mid-Hudson Steel Corp.
c/o Grammer, Dempsey & Hudson, Inc.
P.O. Box 1059
Newark, New Jersey 07101

Attn.: James F. Hudson

**Re: Fred Smit, as Chairman of the Board of Trustees of Teamsters Local
445 Freight Division Pension Fund v. Mid-Hudson Steel Corp.
Our File No. 03-7418**

Dear Mr. Hudson:

We represent Teamsters Local 445 Freight Division Pension Fund ("Local 445 Pension Fund" or "the Fund") in the above-referenced matter. Local 445 Pension Fund has advised that, in or about August, 2004, Mid-Hudson Steel Corp. ("MSC") completely withdrew from Local 445 Pension Fund. MSC's complete withdrawal is based upon, and is in accordance with, section 4203, *et seq.*, of the Employee Retirement Income Security Act, as amended by the Multiemployer Pension Plan Amendments Act ("MPPAA"). Based on its complete withdrawal during year 2004, and as prescribed under section 4211 of the MPPAA, the Fund's actuaries have determined that MSC has incurred withdrawal liability in the total amount of \$300,296.56.¹ Pursuant to section 4219(b)(1)(A)-(B) of the MPPAA, this letter serves as notice to MSC of the amount of MSC's withdrawal liability and Local 445 Pension Fund's demand for payment of the withdrawal liability. In accordance with section 4219(c)(1)(E)(2) and (3) of the MPPAA, MSC's withdrawal liability is payable to Local 445 Pension Fund in 160 equal monthly installments, each in the amount of \$2,817.70, followed by a

¹ Local 445 Pension Fund reserves the right to revise the withdrawal liability amount assessed against MSC and any trades or businesses which are under common control with MSC.

Mid-Hudson Steel Corp.

-2-

December 21, 2004

final payment in the amount of \$1,366.98. Enclosed is the schedule of payments which sets forth the amount of each payment and the date on which the payments are due. In the alternative, MSC may make payment in full of its withdrawal liability in the amount \$300,296.56, plus accrued interest. If MSC opts to make payment in full or by installment, the payment is due no later than **January 31, 2005**. Payment, in the form of a certified or bank check, must be made payable to "Teamsters Local 445 Pension Fund," and must be mailed to Sapir & Frumkin LLP for receipt no later than the day on which the payment is due.

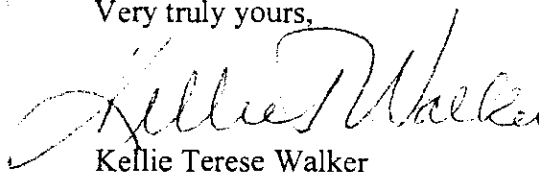
Pursuant to section 4219(2)(A) of the MPPAA, MSC may request a review of MSC's withdrawal liability within 90 days from receipt of this notice and demand. In accordance with section 4221(a)(1)(A)-(B), MSC is entitled to arbitration of any matter relating to MSC's withdrawal liability as follows:

- within 60 days from the date it receives the Fund's response to a request for review, if such request is made, or
- within 180 days from the date of a request for review, if such request is made.

Notwithstanding any request for review, arbitration or other proceeding, MSC remains obligated to make withdrawal liability payments, in full or in installments, to Local 445 Pension Fund in accordance with the payment schedule. In accordance with section 4219(c)(1)(E)(5) of the MPPAA, MSC's failure to make any payment when due will be considered a statutory default, thus entitling Local 445 Pension Fund to require immediate payment of the outstanding amount of the withdrawal liability, plus accrued interest on the total outstanding liability from the due date of the first payment which is untimely paid.

We rely on your prompt response to this matter. If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,



Kellie Terese Walker

KTW:aa
Enclosure

cc: Keith R. McMurdy, Esq. (via UPS Next Day Air, w/enclosure)
Fred Smit, Fund Chairman (via first class mail, w/out enclosure)
Elizabeth Chomicki, Fund Administrator (via first class mail, w/enclosure)
David Kramer, Esq. (via hand-delivery, w/out enclosure)
Daniel E. Clifton, Esq. (via first class mail, w/out enclosure)

PAGE 2

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

19	July 31, 2006	\$2,817.70
20	August 31, 2006	\$2,817.70
21	September 30, 2006	\$2,817.70
22	October 31, 2006	\$2,817.70
23	November 30, 2006	\$2,817.70
24	December 31, 2006	\$2,817.70
25	January 31, 2007	\$2,817.70
26	February 28, 2007	\$2,817.70
27	March 31, 2007	\$2,817.70
28	April 30, 2007	\$2,817.70
29	May 31, 2007	\$2,817.70
30	June 30, 2007	\$2,817.70
31	July 31, 2007	\$2,817.70
32	August 31, 2007	\$2,817.70
33	September 30, 2007	\$2,817.70
34	October 31, 2007	\$2,817.70
35	November 30, 2007	\$2,817.70
36	December 31, 2007	\$2,817.70
37	January 31, 2008	\$2,817.70
38	February 29, 2008	\$2,817.70
39	March 31, 2008	\$2,817.70
40	April 30, 2008	\$2,817.70
41	May 31, 2008	\$2,817.70
42	June 30, 2008	\$2,817.70
43	July 31, 2008	\$2,817.70
44	August 31, 2008	\$2,817.70

PAGE 3

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

45	September 31, 2008	\$2,817.70
46	October 31, 2008	\$2,817.70
47	November 30, 2008	\$2,817.70
48	December 31, 2008	\$2,817.70
49	January 31, 2009	\$2,817.70
50	February 28, 2009	\$2,817.70
51	March 31, 2009	\$2,817.70
52	April 30, 2009	\$2,817.70
53	May 31, 2009	\$2,817.70
54	June 30, 2009	\$2,817.70
55	July 31, 2009	\$2,817.70
56	August 31, 2009	\$2,817.70
57	September 30, 2009	\$2,817.70
58	October 31, 2009	\$2,817.70
59	November 30, 2009	\$2,817.70
60	December 31, 2009	\$2,817.70
61	January 31, 2010	\$2,817.70
62	February 28, 2010	\$2,817.70
63	March 31, 2010	\$2,817.70
64	April 31, 2010	\$2,817.70
65	May 31, 2010	\$2,817.70
66	June 30, 2010	\$2,817.70
67	July 31, 2010	\$2,817.70
68	August 31, 2010	\$2,817.70
69	September 30, 2010	\$2,817.70
70	October 31, 2010	\$2,817.70

PAGE 4

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

71	November 30, 2010	\$2,817.70
72	December 31, 2010	\$2,817.70
73	January 31, 2011	\$2,817.70
74	February 28, 2011	\$2,817.70
75	March 31, 2011	\$2,817.70
76	April 30, 2011	\$2,817.70
77	May 31, 2011	\$2,817.70
78	June 30, 2011	\$2,817.70
79	July 31, 2011	\$2,817.70
80	August 31, 2011	\$2,817.70
81	September 30, 2011	\$2,817.70
82	October 31, 2011	\$2,817.70
83	November 30, 2011	\$2,817.70
84	December 31, 2011	\$2,817.70
85	January 31, 2012	\$2,817.70
86	February 29, 2012	\$2,817.70
87	March 31, 2012	\$2,817.70
88	April 30, 2012	\$2,817.70
89	May 31, 2012	\$2,817.70
90	June 30, 2012	\$2,817.70
91	July 31, 2012	\$2,817.70
92	August 31, 2012	\$2,817.70
93	September 30, 2012	\$2,817.70
94	October 31, 2012	\$2,817.70
95	November 30, 2012	\$2,817.70
96	December 31, 2012	\$2,817.70

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

97	January 31, 2013	\$2,817.70
98	February 28, 2013	\$2,817.70
99	March 31, 2013	\$2,817.70
100	April 30, 2013	\$2,817.70
101	May 31, 2013	\$2,817.70
102	June 30, 2013	\$2,817.70
103	July 31, 2013	\$2,817.70
104	August 31, 2013	\$2,817.70
105	September 30, 2013	\$2,817.70
106	October 31, 2013	\$2,817.70
107	November 30, 2013	\$2,817.70
108	December 31, 2013	\$2,817.70
109	January 31, 2014	\$2,817.70
110	February 28, 2014	\$2,817.70
111	March 31, 2014	\$2,817.70
112	April 30, 2014	\$2,817.70
113	May 31, 2014	\$2,817.70
114	June 30, 2014	\$2,817.70
115	July 31, 2014	\$2,817.70
116	August 31, 2014	\$2,817.70
117	September 30, 2014	\$2,817.70
118	October 31, 2014	\$2,817.70
119	November 30, 2014	\$2,817.70
120	December 31, 2014	\$2,817.70
121	January 31, 2015	\$2,817.70
122	February 28, 2015	\$2,817.70

PAGE 6

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

123	March 31, 2015	\$2,817.70
124	April 30, 2015	\$2,817.70
125	May 31, 2015	\$2,817.70
126	June 30, 2015	\$2,817.70
127	July 31, 2015	\$2,817.70
128	August 31, 2015	\$2,817.70
129	September 30, 2015	\$2,817.70
130	October 31, 2015	\$2,817.70
131	November 30, 2015	\$2,817.70
132	December 31, 2015	\$2,817.70
133	January 31, 2016	\$2,817.70
134	February 29, 2016	\$2,817.70
135	March 31, 2016	\$2,817.70
136	April 30, 2016	\$2,817.70
137	May 31, 2016	\$2,817.70
138	June 30, 2016	\$2,817.70
139	July 31, 2016	\$2,817.70
140	August 31, 2016	\$2,817.70
141	September 30, 2016	\$2,817.70
142	October 31, 2016	\$2,817.70
143	November 30, 2016	\$2,817.70
144	December 31, 2016	\$2,817.70
145	January 31, 2017	\$2,817.70
146	February 28, 2017	\$2,817.70
147	March 31, 2017	\$2,817.70
148	April 30, 2017	\$2,817.70

PAGE 7

MID-HUDSON STEEL CORP.
SCHEDULE OF WITHDRAWAL LIABILITY PAYMENTS
PAYABLE TO TEAMSTERS LOCAL 445 PENSION FUND

149	May 31, 2017	\$2,817.70
150	June 30, 2017	\$2,817.70
151	July 31, 2017	\$2,817.70
152	August 31, 2017	\$2,817.70
153	September 30, 2017	\$2,817.70
154	October 31, 2017	\$2,817.70
155	November 30, 2017	\$2,817.70
156	December 31, 2017	\$2,817.70
157	January 31, 2018	\$2,817.70
158	February 28, 2018	\$2,817.70
159	March 31, 2018	\$2,817.70
160	April 30, 2018	\$2,817.70
161	May 31, 2018	\$1,366.98

* If the due date falls on a Saturday, Sunday or federal holiday, the payment is due on the following business day.